

ASSEMBLY BILL

No. 1050

Introduced by Assembly Member Ma

February 18, 2011

An act to amend Section 32390 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1050, as introduced, Ma. State Board of Equalization: collection cost recovery fee.

Existing law allows the State Board of Equalization to collect a charge to recover the costs of collecting various taxes and fees, including the tax on alcoholic beverages.

This bill would make a technical, nonsubstantive change in this provision.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 32390 of the Revenue and Taxation Code
- 2 is amended to read:
- 3 32390. (a) A collection cost recovery fee shall be imposed on
- 4 ~~any~~ a person that fails to pay an amount of tax, interest, penalty,
- 5 or other amount due and payable under this part. The collection
- 6 cost recovery fee shall be in an amount equal to the board's costs
- 7 for collection, as reasonably determined by the board. The
- 8 collection cost recovery fee shall be imposed only if the board has
- 9 mailed its demand notice, to that person for payment, that advises

1 that continued failure to pay the amount due may result in
2 collection action, including the imposition of a collection cost
3 recovery fee.

4 (b) Interest shall not accrue with respect to the collection cost
5 recovery fee provided by this section.

6 (c) The collection cost recovery fee imposed pursuant to this
7 section shall be collected in the same manner as the collection of
8 any other tax imposed by this part.

9 (d) (1) If the board finds that a person's failure to pay any
10 amount under this part is due to reasonable cause and circumstances
11 beyond the person's control, and occurred notwithstanding the
12 exercise of ordinary care and the absence of willful neglect, the
13 person shall be relieved of the collection cost recovery fee provided
14 by this section.

15 (2) Any person seeking to be relieved of the collection cost
16 recovery fee shall file with the board a statement under penalty of
17 perjury setting forth the facts upon which the person bases the
18 claim for relief.

19 (e) Subdivision (a) shall be operative with respect to a demand
20 notice for payment which is mailed on or after January 1, 2011.

21 (f) Collection cost recovery fee revenues shall be deposited in
22 the same manner as revenues derived from any other tax imposed
23 by this part.